

MAR 15 '99

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MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of this 4th day of March, 1999, is made by JAIX Leasing Company, a Delaware corporation, with an address at 980 North Michigan Avenue, Suite 1000, Chicago, Illinois 60611 (the "Assignor"), and The CIT Group/Equipment Financing, Inc., a New York corporation, with an address at 1211 Avenue of the Americas, 20th Floor, New York, NY 10036 ("Assignee", and together with the Assignor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Assignor and the Assignee entered into that certain Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") dated as of the date hereof;

WHEREAS, under the Assignment and Assumption Agreement, the Assignor assigned and the Assignee assumed all of the Assignor's present and future rights, obligations and interest in, to and under the Railroad Equipment Lease (the "Lease") between Assignor, as lessor, and The Burlington Northern and Santa Fe Railway Company (the "BNSF"), as lessee, dated as of July 1, 1998, as supplemented by Rider 1 dated July 1, 1998 ("Rider 1"), Rider 2 dated July 1, 1998 ("Rider 2"), Amendment No. 1 to Rider 1 dated September 1, 1998 ("Rider 1 Amendment") and Amendment No. 1 to Rider 2 dated September 1, 1998 ("Rider 2 Amendment"), relating to the lease by the BNSF of 240 aluminum AutoFlood coal cars marked JAIX 98591-JAIX 98830 (all inclusive).

WHEREAS, a Memorandum of Railcar Equipment Lease (Rider 1) between Assignor, as lessor, and the BNSF, as lessee, dated as of July 1, 1998 was filed with the Surface Transportation Board (the "STB") on July 15, 1998 and assigned Recordation Number 21511.

WHEREAS, a Memorandum of Railcar Equipment Lease (Rider 2) between Assignor, as lessor, and the BNSF, as lessee, dated as of July 1, 1998 was filed with the STB on July 15, 1998 and assigned Recordation Number 21512.

WHEREAS, the Parties wish to show for the public record the existence of the aforementioned Assignment and Assumption Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this Memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Assignor hereby assigns to Assignee the Lease, as supplemented by Rider 1, Rider 2, Rider 1 Amendment and Rider 2 Amendment, in accordance with the terms and conditions of the Assignment and Assumption Agreement, and the Assignee accepts such assignment in accordance with the terms and conditions of the Assignment and Assumption Agreement, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: Nancy Nardella
Name: NANCY NARDELLA
Title: Vice President

JAIX LEASING COMPANY

By: KtH Telling
Name: Kenneth Telling
Title: Secretary

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 26th day of February, 1999 before me personally appears Nancy Nardella, to me personally known, who by me duly sworn, says that he/she is the Vice President of THE CIT GROUP/EQUIPMENT FINANCING, INC. (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Indra Bedasie
Notary Public

[SEAL]

My Commission expires:

INDRA BEDASIE
Notary Public, State of New York
No. 01BE6014602
Qualified in Queens County
Certificate Filed in New York County
Commission Expires October 19, 2000

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 25th day of February, 1999 before me personally appears KENNETH TALLERING, to me personally known, who by me duly sworn, says that he/~~she~~ is the Secretary of JAIX LEASING COMPANY (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/~~she~~ acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Justine B. Kmiecik
Notary Public

[SEAL]

My Commission expires:

◆◆◆◆◆
◆ "OFFICIAL SEAL" ◆
◆ JUSTINE B. KMIECIK ◆
◆ Notary Public, State of Illinois ◆
◆ My Commission Expires 12/19/01 ◆
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